

An Equity Profile of Rhode Island

Summaryⁱ

Communities of color are the driving force in Rhode Island's population growth and essential to the state's economic success now and into the future. Despite the state's many economic strengths, wide racial gaps in income, education, health, and opportunity coupled with a shrinking middle class place the state's economic future at risk. To secure a prosperous future, the state's leaders must take steps to build a more equitable and sustainable economy. Growing good jobs, connecting unemployed and low wage workers to training, jobs and careers, and building communities of opportunity throughout the state are critical strategies for putting all of Rhode Island's residents on the path toward reaching their full potential.

Overview

Across the country, regional planning organizations, community organizations and residents, funders, and policymakers are striving to put plans, policies, and programs in place that build healthier, more vibrant, more sustainable, and more equitable regions. Of these partnerships, 87 applied for and received grants from the Sustainable Communities Initiative, a partnership between the Department of Housing and Urban Development, the Department of Transportation, and the Environmental Protection Agency, to develop coordinated regional sustainable communities plans. In Rhode Island, the regional grant covers the entire state and its leadership includes the state government as well as many regional and local entities.

Equity—ensuring full inclusion of the entire state's residents in the economic, social, and political life of the state, regardless of race, ethnicity, age, gender, neighborhood of residence, or other characteristic—is an expected component of the plans.

This equity profile of Rhode Island was developed to help the consortium leading “A Sustainable Rhode Island” effectively address equity issues throughout the planning process. We hope this will also be a useful tool for other equity focused actors as they work to achieve equity for Rhode Island. This summary document describes the indicators framework used to create the profile, presents the key findings of the equity analysis, and shares implications derived from the analysis.

The Equity Indicators Framework

To plan for more equitable regions, communities first need to know how their region stands in terms of equity. To assist communities with that process, PolicyLink and the Program for Environmental and Regional Equity (PERE) developed an equity indicators framework that communities can use to understand and track the state of equity in their regions. This indicators framework relies on a regional equity database maintained by our organizations that incorporates hundreds of data points from public and private data sources such as the U.S. Census Bureau, the U.S. Bureau of Labor Statistics, the Behavioral Risk

Factor Surveillance Survey, and Woods and Poole Economics.

The equity indicators framework examines four sets of indicators:

- 1) **Demographics:** Who lives in the region and how is this changing?
- 2) **Economic Vitality:** How is the region doing on measures of economic growth and well-being?
- 3) **Readiness:** How ready are the region's residents for the 21st century economy?
- 4) **Connectedness:** Are the region's residents and neighborhoods connected to one another and to the region's assets and opportunities?

Defining the Rhode Island region

For the purposes of the equity profile and data analysis, the region is synonymous with the State of Rhode Island. All data presented in the profile use this regional boundary, and any exceptions due to lack of data availability are noted in the Data and Methods section of the complete profile.

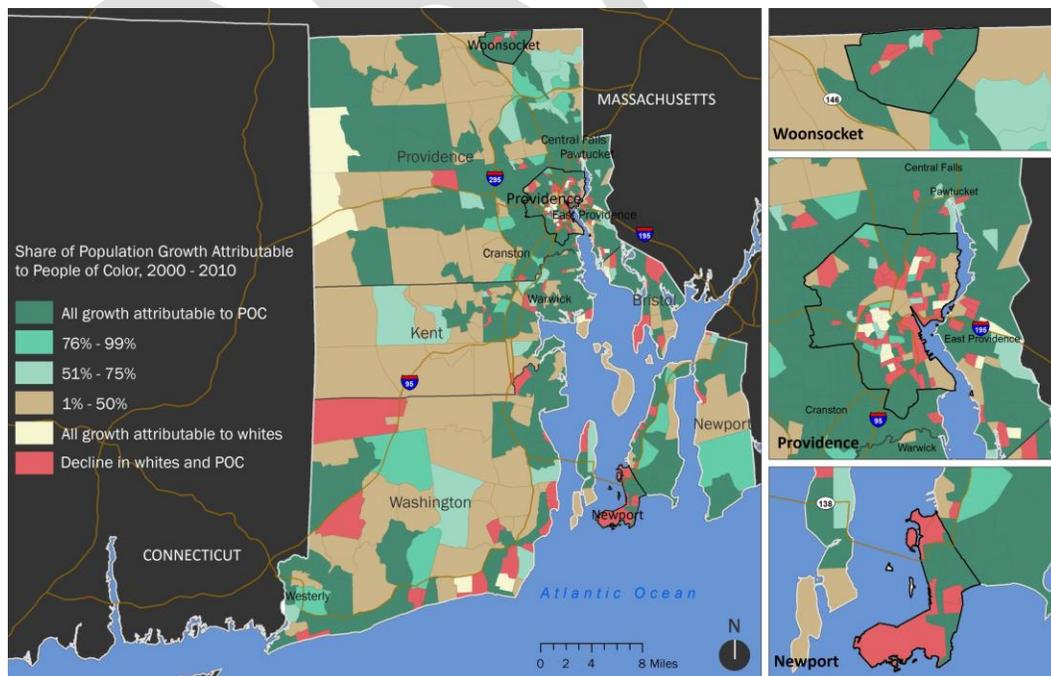
Equity Profile Highlights

Demographics: Communities of Color are Driving Growth and Change in the State

Rhode Island's population grew by 11 percent since 1980, but growth slowed significantly over the last decade. In the same time period, the share of residents who are people of color grew from seven to 24 percent. This growth was shared across the state, with the number of people of color growing in all of Rhode Island's nine largest cities.

Latinos, Asians, and African Americans are driving growth and change in the state. The Latino population grew by 44 percent and the Asian population by 28 percent in the past decade, primarily from births to U.S. residents. On the other hand, Rhode Island's white population decreased by six percent in the last decade.

Today, Rhode Island ranks 94th in diversity among the 150 largest metropolitan regions.ⁱⁱ



Additionally, by 2040, 41 percent of the state’s population will be people of color.ⁱⁱⁱ

Since 1980, Rhode Island’s youth population has diversified much more quickly than the senior population. Thirty-six percent of Rhode Island’s youth are people of color, compared to nine percent of the state’s seniors. This racial generation gap ranks the region 52nd on this indicator.

Economic Vitality: Slow Job Growth and Lack of Inclusion are a Threat to the State’s Future Prosperity

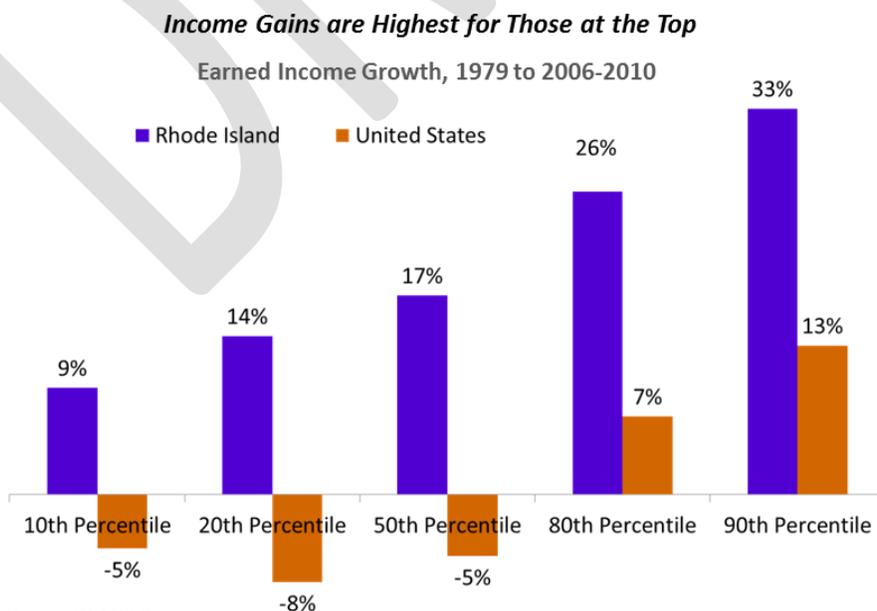
Over the past few decades, Rhode Island’s economy showed mixed performance on measures of growth and employment. Although Gross Domestic Product (GDP) growth reflected national averages, job growth lagged behind the nation as a whole. Moreover, Rhode Island’s unemployment rates are among the nation’s worst.

Income inequality in Rhode Island stayed below or equal to the national average over the last 30 years. Although inequality sharply increased

during the 1990s, the state actually showed improvement on this measure in the last decade. The state now has the 59th highest inequality ranking among the largest 150 regions.

Diverging from national trends, inflation-adjusted wages for full-time workers in Rhode Island increased across the wage spectrum since 1979—likely playing some role in the decreasing inequality measure. Despite these positive signs for the low- to moderate-income workers, the largest gains are with the highest earners—nearly tripling the national average for the top 10 percent. Also concerning is the fact that the middle class shrunk by 3 percent since 1979.

The modest rise in wages at the bottom has likely helped keep rates of poverty and working poverty (working full-time for an income below 150 percent of the poverty level) in Rhode Island below the national averages since 1980. However rates are very high for communities of color. More than 1 in 4 of the state’s African Americans and Latinos live below the poverty



Source: IPUMS Microdata.
Universe includes civilian noninstitutional full-time workers ages 25 through 64.

level—triple the rate of whites. Latinos are most likely to be working poor compared to other groups, followed by African Americans. And that is only if one is able to find a job: unemployment rates for Latinos and African Americans are about double those of whites, leaving these groups disparately impacted by an underperforming regional labor market. It also means that the population that is growing the fastest—the Latino population—is also suffering some of the worst socio-economic conditions.

Education translates into lower unemployment and higher wages, but racial and gender economic gaps persist. Communities of color have higher unemployment, lower wages, and less access to high-opportunity occupations than whites at nearly every education level. Both white women and women of color earn lower wages than their male counterparts at every level of education examined. Among college graduates, hourly wages are \$6 lower for people of color compared to whites.

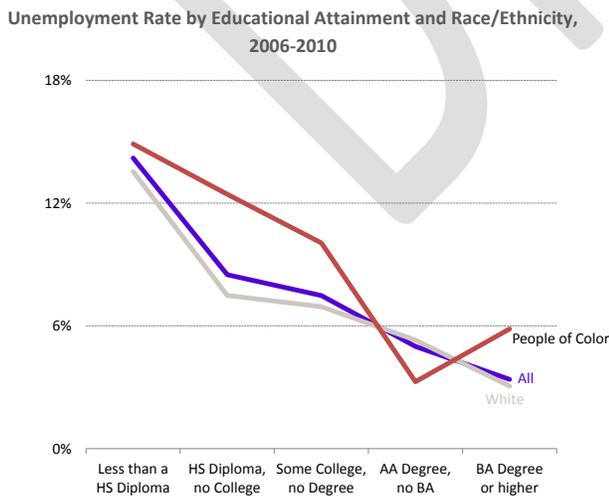
The state has seen a decline in jobs in middle-wage industries over the past 20 years, accompanied by an increase in low- and high-

wage industries. However, there are sectors in which growth could help alleviate this trend. The strongest industries—based on measures of size, concentration, job quality, and growth—are Health Care and Social Assistance, Management of Companies and Enterprises, Education Services, and Finance and Insurance. Among these, healthcare and education stand out as sectors in which public and private investment could pay off, expanding middle-wage employment that can be broadly accessible. Our analysis of occupations suggests that there are particular opportunities to attach lower- and middle-skilled workers to better-quality jobs in these sectors ranging from secretaries and administrative assistants to nurses, home health aides and other healthcare support occupations.

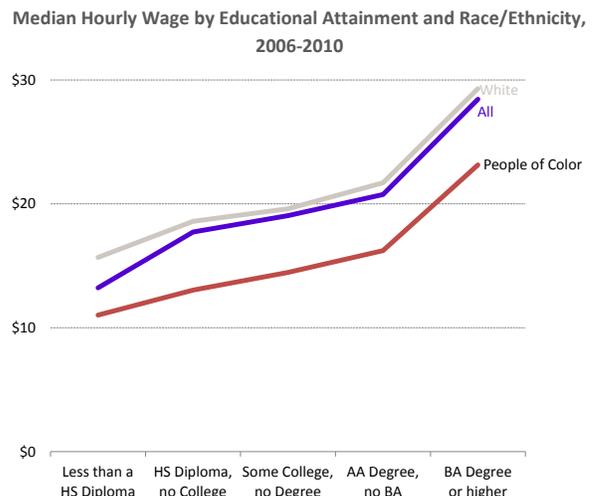
Readiness: Educational Gaps and Health Challenges Persist for Communities of Color, Despite Positive Trends

According to the Georgetown Center for Education and the Workforce, by 2018, 42 percent of Rhode Island’s jobs will require an Associate’s Degree or higher education. Yet,

Whites Have Higher Wages and Lower Unemployment at Nearly Every Educational Attainment Level



Source: IPUMS Microdata. Universe includes civilian non-institutional population ages 25 through 64 not in group quarters.



Source: IPUMS Microdata. Universe includes civilian non-institutional full-time wage and salary workers ages 25 through 64.

only 30 percent of African Americans, 21 percent of US-born Latinos, and 15 percent of Latino immigrants have at least that level of education.

Indicators of how prepared Rhode Island's youth are to enter the workforce and contribute to the state's well-being are mixed. Educational attainment for youth of color has dramatically improved since 1980, helping to close racial gaps and reducing the number (and share) of "disconnected youth" who are neither in school nor working. Latino immigrant youth, however, have worse educational attainment levels than in 1980, with 36 percent not enrolled in school and without a diploma.

African-Americans, in particular, face major health challenges; 70 percent are obese or overweight, 11 percent have diabetes, and 10 percent have asthma. The state as a whole has the 16th highest asthma rate among the largest 150 regions.

Connectedness: Communities of Color Bear Disproportionate Burdens

While Rhode Island remains below average among the largest 150 regions in rent burdened households, more than half of Latino and African American renters are financially burdened with housing costs that exceed 30 percent of their income. Homeowners in the same groups suffer even worse, with nearly two out of three Latino households overwhelmed by mortgage payments. Furthermore, while many low-wage workers are living in more affordable communities, they are more distant from most job centers. The rise in the share of people experiencing concentrated poverty in the state, quadrupling since 1980. These trends are especially concerning in light of slow wage growth at the bottom and increasing shares of

the working poor—populations who will often need to pay higher transportation costs to connect to employment.

Racial segregation overall has steadily declined over time in the state as the population has become more diverse. There has been a decline in segregation among all groups of color, but it has increased between whites and Latinos.

Implications

To take advantage of its increasingly diverse population and build a more equitable and sustainable regional economy, Rhode Island must take steps to better connect its communities of color to jobs, housing, and quality education from pre-K to college.

We suggest the following areas of focus:

Bridge the Racial Generation Gap. The divergent trends in population by age and race highlight the needs for Rhode Islanders to support strong public schools for all children and to otherwise commit to ensuring that the next generation of workers is well-equipped to succeed. Another way to build these bridges in Rhode Island is to plan for multigenerational communities, which "make cities and neighborhoods accessible, safe, and inclusive for children, youth, families, adults, and the elderly."^{iv} This will allow the elderly to age in place at the same time as provide safe and healthy environments for families to raise children. By identifying infrastructure investments that suit these needs, Rhode Island can create built environments with appropriate community facilities and public spaces. With active and accessible public engagement in multigenerational planning, Rhode Island can develop new diverse leaders for meeting tomorrow's challenges.

Grow Good Jobs. Even with slow job growth over the last few decades, Rhode Island has an opportunity to grow better jobs by focusing on sectors that already show signs of strength *and* provide living wages, such as healthcare and education. It is imperative that equity be central to strategies for job growth. By identifying quality jobs that can be filled by low- and middle-skilled workers, and economic development strategies to continue to grow wages—wage contracting, minimum wage increases, among others—Rhode Island’s economy will be both robust and equitable.

Connect Unemployed and Low-Wage Workers to Careers in High-Growth Industries. It is vital for Rhode Island to connect its strong industries with middle-skill jobs that pay good wages and can provide economic mobility for workers without college degrees. The state must mobilize its economic and workforce development resources to create workforce partnerships between community colleges and employers, ensuring that all workers—including those who face high barriers to employment—can get the advanced training or education they need to succeed. Prioritizing these partnerships is important for building a workforce that is prepared for jobs in strong and growing industries. Additionally, public infrastructure investments present an opportunity to build bridges out of poverty. Construction jobs offer low-skilled workers a career pathway with greater mobility and higher-paying wages than many other sectors, and if there is enough construction activity, many new workers can be absorbed.

Identify Educational Pathways. Educational attainment for Latinos and African Americans is a critical issue, even as progress has been made over the last few decades to close racial gaps.

The high number of Latino immigrant youth not in school or at work highlights the importance of increasing high school and associate degree graduation rates throughout the state.

Create Healthier Communities. Investments in healthy communities will reduce health gaps for people of color, create more vibrant places, and strengthen economic productivity and result in overall healthcare costs savings. By making neighborhoods healthier—with complete streets, access to healthy food, and community design—the state can create a supportive built environment for reducing these persistent health gaps.

Expand Transportation Choices and Mobility. It is critical that Rhode Island focus its transportation investments to connect transit-dependent residents to employment centers and housing that is affordable for all incomes. Statewide and regional planning must incentivize and prioritize the development and preservation of housing that is affordable for the majority of the population and that is co-located with public, multi-modal transportation investments. To fulfill its economic development and growth goals, Rhode Island must coordinate transportation, housing, and economic development investments to address concentrated poverty, segregation, housing and transportation burdens—all of which have disproportionately negative effects on communities of color.

Conclusion

Rhode Island has demonstrated economic potential over the last few decades. Rhode Island is growing more and more diverse, and its growth model must be based on an equity model if the state is to have a prosperous future. This means addressing the high poverty

rates and many other inequities that people of color face, as well as ensuring that jobs stay at pace with GDP growth. Although some communities in Rhode Island weathered the recession, persistent racial gaps demonstrate the need for concerted investments and policies for, and developed from within, communities of color. This means a strong focus on ensuring that the fastest growing populations will be ready to compete on a national level in the 21st century.

ⁱ Equity Profiles are products of a partnership between PolicyLink and PERE, the Program for Environmental and Regional Equity at the University of Southern California.

The work of this guide is supported by a Capacity Building and Technical Assistance grant from the U.S. Department of Housing and Urban Development to PolicyLink and the Program for Environmental and Regional Equity at the University of Southern California. The authors and grantee organizations are solely responsible for the information represented here, which does not necessarily reflect the views of the federal government.

ⁱⁱ This analysis uses the Diversity Score, which is a measure of racial/ethnic diversity within each metropolitan area. For further information, please refer to the methodology section of the full regional profile report. For this and other comparisons, the entire state of Rhode Island is being compared to 149 metropolitan regions, each of which includes one or more central cities and the surrounding counties.

ⁱⁱⁱ The full profile includes more detailed information about these broad categories of race and ethnicity, as well as country of origin.

^{iv} American Planning Association, *Multigenerational Planning: Using smart growth and universal design to link the needs of children and the aging population*, 2011.